DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT Division of Housing Policy Development

1800 Third Street, Suite 430 P. O. Box 952053 Sacramento, CA 94252-2053 (916) 323-3177 / FAX (916) 327-2643 www.hcd.ca.gov



February 17, 2005

Mr. Kirk Lindsey, Planning Director City of Santa Maria 110 South Pine Street, #101 Santa Maria, CA 93458-5082

Dear Mr. Lindsey:

RE: Review of the City of Santa Maria's Revised Adopted Housing Element

Thank you for submitting Santa Maria's element, adopted November 16, 2004, and received for review on November 19, 2004. As you know, the Department is required to review adopted housing elements and report the findings to the locality pursuant to Government Code Section 65585(h). According to the Department's records, the City did not submit a draft element for review as required by State housing element law and described in the prior review. For your information, Section 65585(b) of the Government Code states "at least 60 days prior to the adoption of an amendment to this element the planning agency shall submit a draft of the element or amendment to the department." Furthermore, Section 65585(e) states, "prior to the adoption of its draft or draft amendment, the legislative body shall consider the findings made by the Department." Since the element was not submitted to this Department prior to adoption, the City should consider the findings pursuant to Section 65585(e) and (f). Telephone conversations with Mr. Bill Shipsey, City Planner, facilitated the review.

The adopted element addresses some of the statutory requirements as described in the Department's February 4, 2003 review. However, the element still requires revisions to comply with State housing element law (Article 10.6 of the Government Code). Specifically the element must identify adequate sites to accommodate the City's regional housing need and include expanded program descriptions. These and other needed revisions are described in the enclosed Appendix.

The assistance of Mr. Shipsey during the course of the review is greatly appreciated. The Department hopes these comments are helpful. If you have any questions or would like our assistance, including a meeting in Sacramento or Santa Maria, please contact Mario Angel, of our staff, at (916) 445-3485. We welcome the opportunity to visit Santa Maria and assist the City in responding to these requirements.

In accordance with requests pursuant to the Public Records Act, we are forwarding copies of this letter to the persons and organizations listed below.

Sincerely,

Cathy E. Creswell Deputy Director

Cathy & Creswell

Enclosures

cc: Bill Shipsey, Planner, City of Santa Maria

Mark Stivers, Senate Committee on Transportation & Housing

Suzanne Ambrose, Supervising Deputy Attorney General, AG's Office

Terry Roberts, Governor's Office of Planning and Research

Nick Cammarota, California Building Industry Association

Marcia Salkin, California Association of Realtors

Marc Brown, California Rural Legal Assistance Foundation

Rob Weiner, California Coalition for Rural Housing

John Douglas, AICP, Civic Solutions

Deanna Kitamura, Western Center on Law and Poverty

S. Lynn Martinez, Western Center on Law and Poverty

Alexander Abbe, Law Firm of Richards, Watson & Gershon

Michael G. Colantuono, Colantuono, Levin & Rozell, APC

Ilene J. Jacobs, California Rural Legal Assistance, Inc.

Richard Marcantonio, Public Advocates

Jeanell Montero, Citizens/Planning Reform

Bruce Reed, Santa Cruz County Builders Exchange

David Booher, California Housing Council

John Swift, Hamilton-Swift Land Use & Dev. Consultants

Patti Bonar, Santa Cruz County Builders Exchange

Ron Zumbrun, Pacific Legal Foundation

Daniel Garr, Professor, San Jose State University

Cynthia Mathews, Friends of Downtown

Harold Griffith

APPENDIX Santa Maria

The following changes would bring Santa Maria's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, the supporting section of the Government Code is cited.

Housing element information is available on the Department's website at <u>www.hcd.ca.gov/hpd</u> which may be of assistance. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. The Housing Elements section contains the Department's publication, *Housing Element Questions and Answers (Qs & As)* and the Government Code addressing State housing element law.

A. Housing Needs, Resources, and Constraints

- 1. Include an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services available to these sites (Section 65583(a)(3)).
 - a) Residential Sites: While the element contains several tables (HE-2-1a-f and HE-2-5) describing residential potential, the inventory needs further revisions to identify sufficient sites to accommodate the City's regional housing need for all income categories. In particular, the element indicates a deficiency of sites to meet the City's remaining need for lower-income units (Table HE-2-5, page HE-2-16). In addition, the element acknowledges the City's annexation program (Program 10, page HE-5-10) will not result in new housing until after 2008.

Table HE-2-1g identifies a number of sites with "imposed site density limits." The Table indicates the sites will not accommodate maximum zoned densities. The element should clarify the impact of density limits on the feasibility of developing sites for housing affordable to lower-income households.

The element notes the potential for 277 residential units from the conversion of motels, (pages H-2-3 and H-2-16). However, the element does not include a program to promote or encourage conversions to provide additional units to meet the City's regional housing need.

b) <u>Farmworker Housing</u>: The element notes the City does not regulate farmworker housing by zoning districts and that the same permitting processes are applied to all housing projects (page HE-1-38). The element should describe the sites or zones where housing for farmworkers is specifically allowed, evaluate whether sufficient housing opportunities for migrant and permanent farmworkers exist, and describe how conditions and standards encourage and facilitate the development of housing for farmworkers.

2. Analyze potential and actual governmental constraints upon the development of housing for all income levels and for persons with disabilities, including land use controls required of developers, and local processing and permit procedures (Section 65583(a)(4)).

<u>Constraints on Housing for Persons with Disabilities</u>: While the element was revised to provide a general description of the needs of persons with disabilities, it does not include a complete analysis of the potential and actual governmental constraints on the development of housing for persons with disabilities (page HE-1-40).

The element should demonstrate how Santa Maria's process for "request for special accommodations" provides reasonable accommodations for variances with zoning, permitting processes or building codes. The element should also describe the City's approval procedures for group homes for six or more persons. In addition, the element should describe occupancy standards in the zoning code that apply specifically to unrelated adults and not to families. To assist the City, the Department will, under separate cover, send a copy of its technical assistance memo and the statute pertaining to housing for persons with disabilities, an analysis tools, and sample analyses to assist in meeting the statutory requirements of Section 65583(a)(4).

3. Describe the amount and uses of monies in the redevelopment agency's Low- and Moderate-Income Housing Fund (Section 65583(c)).

The element was revised to note the projected peak amount of set-aside to the L&M Fund through the end of the planning period (page HE-5-15). However, the element must provide an estimate of the moneys expected to accrue and a description of how funds will be spent over the planning period. Please see comments in the February 2004 review (enclosed).

B. Housing Programs

1. The housing element should include a program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element (Section 65583(c)).

While the element was revised to further describe some programs and Tool Box Options, most programs continue to lack specificity regarding timelines and implementation actions (refer to February 2004 review).

- 2. Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, housing for agricultural workers, emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584 and for farmworker housing, the program shall provide for sufficient sites with zoning that permits owner-occupied, rental multifamily residential use, and farmworker housing by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).
 - a) Adequacy of Sites: The element indicates a deficiency of sites to meet the City's remaining need for lower-income units (Table HE-2-5, page HE-2-16) and that several sites zoned R-3 (Table HE-2-1g, page HE-2-8), due to "imposed site density limits" can not be developed at maximum densities. However, the element does not include a program to address the short fall or site development limitations. As a result, the element must either expand the inventory to identify adequate sites or include programs to provide the needed sites. Such programs must identify sites that permit owner-occupied and rental multifamily uses byright. The Department encourages the City to consider up-zoning sites with lower intensity residential uses and/or redesignating non-residential sites for residential use to accommodate the identified shortfall.

In addition, to address Santa Maria's shortfall of sites to accommodate housing for lower-income households and better address housing for persons with special needs, the City should strengthen its <u>Mixed Use Development/Adaptive Re-Use Program</u> (Program 8, page HE-5-8). This program should describe acreage covered, allowed densities, development standards and incentives, etc. on specified sites to encourage and facilitate the development of housing for low- and moderate-income households.

b) Emergency Shelter and Transitional Housing: While the element was revised to add a new program description for special needs assistance (Program 12, page HE-5-11), it was not revised to describe how the City's processing requirements encourage and facilitate such uses. Also Table HE-3-1 (page HE-3-7) was not revised to clarify, (Program 12) that transitional housing and emergency shelters are conditional uses permitted in all residential zones.